

Application of digital marketing as strategy marketing MSMEs

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ABSTRACT

Development Internet technology marking the beginning of the Revolutionary era Industry 4.0. The presence of the Internet provides access information in a way fast and easy become method new for MSMEs in promote the product, because the Internet has change principle base marketing from the traditional world become digital marketing. The objective of this study is to know impact digital marketing against sales, strategy marketing and barriers adoption digital marketing in MSMEs. This study use method qualitative. The study began with a series of qualitative interviews that identified relationships that required further investigation. The interview was conducted by one person who is an MSME actor or owner of AnyaOlshop. This study found that MSMEs that implement digital marketing achieve higher sales. Therefore, MSME players are more satisfied if they sell their products online. The strategy for implementing digital marketing to sell products is to use social media such as Facebook, Instagram, WhatsApp status, live streaming on Facebook. The results also show that although there are benefits to be gained from implementing digital marketing, MSMEs face many obstacles in implementing it. These failures include unstable internet connections, delivery delays, even fraudulent transactions and manipulation of admin numbers. The application of digital marketing influences the increase in MSME marketing and it can be concluded that the application of digital marketing brings related benefits and obstacles.

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1. Introduction

The development of internet technology marks the entry of the era of the industrial revolution 4.0 (Bruce et al., 2023). The Internet gives everyone the opportunity to access information quickly and easily, without time and space limitations (Anatan & Nur, 2023). The internet is not just for staying up to date with the latest information and connecting with other people virtually (Bermeo-Giraldo et al., 2022). However, it also functions as a place where you can buy the products you want without having to buy directly through the shop (Gao et al., 2023). The convenience provided by the Internet will ultimately lead to an increase in Internet users (Jung & Shegai, 2023). This increase in internet users is a new opportunity for MSMEs because it is a suitable means for them to market their products (Ziółkowska, 2021). With the internet, the basic rules of marketing in the traditional world have changed to digital marketing (Martínez-Peláez et al., 2023). Digital marketing itself is the most important key to a company's success (Bradač Hojnik & Huđek, 2023). This is because the application of digital marketing allows MSMEs to track customer behavior in real-time and determine the reach, engagement and conversion of new products launched on the internet (Kaur et al., 2022). Enables small businesses to accurately understand customer needs (Djordjevic et al., 2022).

However, in reality there are still many MSMEs that do not apply digital marketing as a method to promote their products (Lin, 2021). Because most MSMEs market their products spontaneously, without direction, flexibly and as they are (Pollák & Markovič, 2021). This is what causes MSMEs to fail or even be

unable to compete in the market (Li et al., 2023). Apart from that, MSME players are not yet able to understand appropriate marketing communications based on information technology (et al., 2022). In fact, with the presence of the internet, it has the potential to change MSME marketing, including customization, relationships with customers, access to new, wider markets, collaboration with other MSMEs, product collaboration with customers, and being able to increase the internal efficiency of MSMEs (Povolná, 2019). This ignorance of MSME actors regarding the concept of digital marketing is the reason that only around 8% or 3.79 million MSME actors out of 59.2 million in Indonesia have used online platforms to market their products, even though the benefits that will be obtained from using social media as a means of marketing MSME products are very large (Nichifor et al., 2022). This shows that the implementation of digital marketing has strong potential to continue to be developed.

To implement digital marketing, MSMEs must first understand the concept of digital marketing itself (Sarma et al., 2022). Helping MSMEs implement digital marketing correctly and successfully. This is because good marketing efforts must be supported by good advertising effectiveness (I Nyoman Tri Sutaguna et al., 2023). Advertising effectiveness is not only limited to product purchases, but also includes psychological and cognitive aspects, because awareness and intention play an important role in purchasing decisions (Alnajim & Fakieh, 2023). This helps build MSME product branding that is known to the wider community (Dumitriu et al., 2019). Starting with providing public relations and training related to digital marketing. Providing this training will help MSME stakeholders understand the importance of marketing, increase its influence within MSMEs, and maintain a competitive advantage (Pellegrino & Abe, 2023).

MSMEs can use Google Business services such as Maps and Search. So it helps customers to find MSMEs (Ahmed et al., 2019). Apart from that, MSMEs can also use social media to reach wider areas and customers without time constraints and with minimal effort (Budiman et al., 2023). Social media makes it possible to build long-term relationships between MSMEs and customers through online communities and allows MSMEs to track and understand customer behavior (Yoon, 2024). Social media applications that can be chosen include Facebook, Instagram, Twitter, Website, Youtube, and Tiktok. All types of social media used by MSMEs can provide opportunities to introduce and promote the MSMEs themselves or their products to the public or individuals. In addition, digital marketing has a significant impact on aspects such as consumer behavior, product introduction, information gathering, opinions, purchasing behavior, communication, and post-purchase evaluation (Pellegrino & Abe, 2023). These various aspects aim to increase the company's competitiveness and ultimately lead to an increase in sales of. With this background, this research aims to identify the impact of digital marketing on sales, marketing strategies, and barriers to digital marketing adoption in MSMEs.

2. Research Method

This research was conducted to comprehensively discuss the impacts and strategies of digital marketing (Almeida et al., 2022). This is because the use of digital marketing is one of the developments in marketing techniques which will continue to be a suitable strategy for marketing products (Lin, 2021). Effective communication can also be achieved using digital marketing. Therefore, the aim of this research is to discuss the obstacles faced by MSMEs in implementing digital marketing. Data collection was carried out from March to May 2023 in Tanjung Morawa, North Sumatra, Indonesia. The research began with a series of qualitative interviews that identified relationships that required further investigation. This interview was conducted by an MSME actor or owner of AnyaOlshop. Initial contact with interview participants was carried out using target sampling.

Interviews were audio recorded (Audacity software) and fully transcribed. Interview transcripts and notes are stored under names so they are easy to find and understand. Meanwhile, data validation was carried out based on triangulation techniques. Triangulation is an excellent way to eliminate differences between concept and reality in your research by collecting data about events and relationships from different perspectives.

Therefore, triangulation is a technique used to cross-check results by comparing various sources, methods and theories.

3. Results And Discussions

The influence of digital marketing on sales of MSME players. This discussion aims to determine the influence of digital marketing on sales of MSME players. The application of digital marketing has a big influence on MSME sales. This is because digital marketing can influence product sales volume, promote products at low costs, establish interactions with consumers, and make transactions easier for consumers.

The results of interviews with sources are as follows: Question: If you choose between traditional marketing and digital marketing, which one will you choose?, Answer : I prefer digital marketing. But I also do traditional marketing such as participating in bazaars and selling at home. When I attended the bazaar, it was very busy there. But when I sell at home maybe only one or two people come because they prefer local products and imported products seem expensive because the quality is good.

The research results show that MSMEs prefer to market their products digitally compared to marketing their products traditionally. This is because marketing via digital platforms increases sales compared to selling products directly.

This is in accordance with research (Fadhilah and Pratiwi, 2021:21) which states that as of January 2020 as many as 93% searched for goods or services online, 90% of users visited online shops, 88% made online transactions from various devices, 25% make transactions on a laptop or computer, and 80% make transactions via smartphone. Research conducted by (Batu, Situngkir, Krisnawati, and Halim, 2020:151) in Saraswati (2019) also states that there is a relationship between digital marketing variables and online purchasing decisions.

Based on this, it can be seen that by applying the digital marketing concept in selling MSME products, it can increase sales because it can make it easier for consumers to interact with sellers directly and consumers can find out all information related to the products being sold, such as product price, quality, product size, product variants, promotions, and so on (Putri & Nurhadi, 2023).

MSME Marketing Strategy in Implementing Digital Marketing

This discussion aims to find out the marketing strategies used by MSME players in implementing digital marketing. According to Wardhana, digital marketing strategies that influence the competitive advantage of MSMEs consist of (Ridwan, 2019): Availability of product information and product guides, availability of images such as photos, availability of videos that are able to visualize the product, availability of attached documents related to information, availability of online communication with entrepreneurs, availability of transaction tools and various payment media, availability of assistance and customer service.

The results of interviews with sources are as follows: Question: After you know the target audience for the product, how do you market the product you are selling?, Answer: I market products by posting on social media Facebook, Instagram and WhatsApp status. But in general, I do live streaming on social media Facebook.

The research results show that MSMEs market their products by utilizing digital marketing. Utilization consists of posting products on social media such as Facebook, Instagram, WhatsApp status, and live streaming on Facebook.

This is in accordance with research (Rachmawati, 2018:129) which states that digital marketing is an effective strategy to attract consumers. This is because the benefits obtained are not only limited to a place to promote products and complete information obtained, but also allow for more interactive dissemination of information, creating awareness of companies and products, as well as obtaining information as a reference for conducting market research (Nusantara, 2021: 5). Therefore, using social media such as Instagram, Facebook, Whatsapp, and others as a forum for selling products is the right step, it has been proven that 43.1% of users shop via social media (Rahadi and Zaniat, 2017: 76).

Obstacles for MSME Actors in Implementing Digital Marketing

This discussion aims to find out the obstacles faced by MSMEs in implementing digital marketing. According to Nasution in (Tharob, Mingkid, and Papatungan, 2017: 9-10), there are obstacles in implementing online business, namely limited knowledge about online business, lots of fraud in cyberspace, high online business competition, internet connection problems, and problems with suppliers.

The results of interviews with sources are as follows: Question: So are there any obstacles in doing digital marketing?, Answer : Yes, sis. For example, when I do a live stream, the signal is interrupted so the

live pauses. Apart from that, the problem I experienced was when the shipping expedition was overloaded with delays so that customers protested and complained to me, "Where did my goods arrive, Sis?" and fraudulent buying and selling transactions and manipulation of WA admin numbers often occur.

The research results show that there are obstacles faced by MSMEs in implementing digital marketing. These obstacles include unstable internet connections, delivery delays, as well as fraudulent transactions and manipulation of admin numbers.

This is in accordance with research (Ruth, 2013: 145) which states that the quality of internet services and networks in Indonesia is still low, which has an impact on the continuity of digital marketing implementation in several regions. Apart from that, the increasing number of MSMEs implementing digital marketing has resulted in the market share of goods delivery services increasing. This is what causes delays in product delivery to consumers (Anandhita, 2013:2). Not only that, fraud has also entered the realm of online business in line with the continued development of the internet. This fraud is not only carried out by potential buyers but is also often exploited by people who claim to be online product sellers (Sumartono and Suhartanto, 2019: 84).

4. Conclusion

This research aims to determine the influence of digital marketing on sales, marketing strategies, and obstacles in implementing digital marketing among MSMEs. The results of this research show that MSMEs prefer to market their products online because it can increase sales volume. The strategy used in implementing digital marketing to market products is to use social media such as Facebook, Instagram, WhatsApp status, and live streaming on Facebook. However, in its implementation there are obstacles such as unstable internet connections, delivery delays, as well as fraudulent transactions and manipulation of admin numbers. So it can be found that implementing digital marketing has an effect on improving the marketing of MSMEs, and its implementation provides benefits and accompanying obstacles. It is hoped that the benefits or implications of this research can increase insight, information and knowledge to interested parties and can carry out further research related to digital marketing, the relationship of which has not been discussed in this research. It is hoped that the implications of this research can increase insight, information and knowledge to interested parties and can carry out further research related to digital marketing, the relationship of which has not been discussed in this research.

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